

This record is a partial extract of the original cable. The full text of the original cable is not available.

S E C R E T SECTION 01 OF 02 TAIPEI 002596

SIPDIS

STATE PASS AIT/W

E.O. 12958: DECL: 02/01/2015

TAGS: [PREL](#) [PGOV](#) [PINR](#) [CH](#) [TW](#)

SUBJECT: TAIWAN POLICY ELITES DIVIDED OVER FUTURE CONTACTS
WITH BEIJING

REF: A. TAIPEI 2565

[B](#). TAIPEI 2521

[C](#). TAIPEI 2479

Classified By: AIT Director Douglas Paal, Reason: 1.4 (B/D)

[1](#). (S) Summary: Taiwan National Security Council (NSC) Senior Advisor for cross-Strait affairs Chen Chung-hsin asserted that senior policymakers remain deeply skeptical over Beijing's willingness to engage in official discussions with the Taiwan government. Chen told former U.S. NSC Asia Director Bob Suettinger that he personally disagrees with this assessment, but thus far has been unable to convince more senior policymakers otherwise. Chen offered his assessment that PRC President Hu Jintao's activism on cross-Strait policy over the past several months was aimed at solidifying his own internal political base rather than weakening Taiwan's government. Despite the generally negative view held by senior NSC officials and the Taiwan intelligence community, there are signs that President Chen Shui-bian is personally more optimistic over PRC flexibility and is actively seeking to open a direct communications channel with the Hu Jintao administration. Chen's efforts have provoked concerns among many Pan-Green policy specialists that Chen's eagerness to visit Beijing before leaving office may distract attention from more pragmatic working level cross-Strait contacts. End Summary.

The Cup Half Empty

[2](#). (S) During a private meeting with visiting former NSC Asia Director Bob Suettinger Taiwan NSC Senior Advisor Chen Chung-hsin expressed disagreement with the Taiwan NSC's generally negative assessment of recent PRC actions. Chen said that analysis provided to (and thus far accepted by) the NSC from Taiwan's National Security Bureau (NSB) has consistently portrayed recent PRC actions, including the Anti-Secession Law (ASL) and invitation to opposition party leaders, as aimed at isolating the Democratic Progressive Party (DPP) government and weakening Taiwan's internal cohesion. Chen said that this assessment does not track with his own soundings among Mainland experts or his assessment of current PRC internal dynamics. Chen blamed the NSB's over-reliance on unreliable classified intelligence sources and the DPP's natural distrust of PRC motives for the current negative view of Beijing among top officials, including NSC Secretary General Chiou I-jen. However, he also noted that

SIPDIS

clumsy PRC handling of its relationship with the Pan-Blue and poor PR work have also fueled suspicions within Taiwan.

Minority Report

[3](#). (C) Chen said he will continue to press for a reassessment of Taiwan's assumptions on PRC actions, arguing that Hu's recent internal successes present a unique, and limited, opportunity for real cross-Strait progress. Chen said that it is his understanding that PRC hard-liners, especially within the People's Liberation Army (PLA), viewed the final text of the ASL as a major victory for PRC moderates, including Hu. Chen noted that, in contrast to his predecessor, Hu appears to be trying to spread responsibility for decisions on Taiwan policy to a wide segment of the power structure in order to minimize risk to his own power base. In addition to codifying the PRC's cross-Strait policy via the ASL, Hu has also made sure that all of the nine members of the CCP's Politburo, not just those on the Taiwan Leading Group, receive official reports on Taiwan policy. Chen said that Hu is thus far succeeding in his delicate balancing act of keeping control over the pace of PRC economic reform, but he is well aware that any external incident could bring the whole house down. Chen added that one normally ultra-nationalistic quasi-official scholar contact of his recently admitted that the PRC economy and the Communist Party's grip on power could not survive a military confrontation in the Taiwan Strait.

[4](#). (C) In a separate meeting, Mainland Affairs Council (MAC) Chief Secretary Jan Jyh-hornng offered a similar assessment over the domestic drivers of Beijing's Taiwan policy. Jan

noted that Hu is aware that his legitimacy could be challenged at any time by forces within and outside of the Communist Party power structure. Jan said that senior Public Security Bureau (PSB) officials told Taiwan journalists in May that the media coverage of KMT Chairman Lien Chan's visit saved them from a possible crisis over how to handle anti-Japanese protests around the country. Jan said that PRC officials told reporters that they were close to losing control over the anti-Japan protests, stating that the PSB would not dare resort to the same tough tactics employed in the past to put down nationalist protests. Jan cited this example to emphasize that, despite appearances, stable cross-Strait relations are as important to the PRC leadership's internal cohesion as they are for the Chen administration.

President Taking His Own Course?

15. (S) Perhaps for different reasons, President Chen himself appears to be taking a similarly upbeat assessment of Hu Jintao and is seeking avenues to move ahead on cross-Strait contacts. In late May, former KMT Premier Vincent Siew told the AIT Director that President Chen asked to see him for the first time in over a year to solicit advice on how to open dialogue with Beijing. Former NSC Deputy SecGen Chang Jung-feng told AIT he was asked on May 11 by Presidential Office Deputy SecGen (and close Chen confidante) Ma Yung-cheng to help the President secure a communications channel to Beijing. Chang, who formerly managed backchannel communications with the PRC for both Presidents Chen and Lee Teng-hui, told AIT that he declined Ma's request, citing the risk that Chen would do or say something that would derail the initiative and then blame Chang for it. Chang noted that when he suggested that the President assign the mission to NSC SecGen Chiou, Ma reacted negatively. Chang said that this was the first time he had seen Ma express reservations over Chiou's reliability. He added that Ma was scathing of MAC Chair Joseph Wu's inability to lead (or even follow) cross-Strait policy.

16. (S) Chang echoed concerns expressed by other Pan-Green policy officials (especially members of Chiou's New Tide faction) over Chen's rumored eagerness to seek a major political breakthrough in his second term in office. Chang said he urged Ma not to start contacts with Beijing by pushing for an agreement on a Chen visit. "There needs to be a process leading up to high level direct contacts," Chang said, "but I worry that Chen is putting the summit meeting first." Institute for National Policy Research (INPR) Executive Director Lo Chih-cheng told the AIT Director that while Chen clearly wants to visit Beijing, Chen has no real options for securing PRC approval short of using the USG as a matchmaker. Over the past two weeks, Chen himself has publicly urged the United States to play an active role in establishing official contacts. Chen's public appeals notwithstanding, Lo discounted both Washington's willingness to play the role of active intermediary and the possibility that Beijing would take the risk of engaging Chen directly.

Comment: Differing Interpretations

17. (C) Chen Chung-hsin's assessment of the current thinking inside of the NSC on cross-Strait policy tracks with formal policy decisions being made by the Taipei government. Despite promises that Taipei would move quickly with cross-Strait economic liberalization following the May 14 National Assembly (NA) election, the government has spent most of its effort trying to dampen the "China fever" created by the Lien/Soong visits, throwing up barriers to recent PRC initiatives on fruit, pandas, and tourism (Reftels). Nevertheless, recent feelers by President Chen and his close political aides suggest that the President himself is more forward leaning on PRC policy than his top cross-Strait advisors are. Public statements notwithstanding, President Chen has thus far not formally asked for the USG to play an active role in establishing direct channels to Beijing. However, if his attempts to use intermediaries like Siew and Chang fail to produce results, Chen may ask for a more active U.S. role in cross-Strait contacts.

PAAL